

# **ATTACHMENT AF**

**SINGLE BILLING SERVICE PROVIDER BOND**

KNOW ALL BY THESE PRESENT, That we, Pepco Energy Services, Inc. (hereafter called "Principal"), as Principal, and **Safeco Insurance Company of America**, a corporation duly organized in the State of **Washington** (hereafter called "Surety"), as Surety, are held and firmly bound unto Commonwealth Edison Company, 440 South LaSalle Street, Suite 3300, P.O. Box 805379, Chicago, IL 60680-5379 (hereafter called the Obligee"), in the sum of One million five hundred thousand (\$1,500,000) Dollars, the Payment of which sum well and truly to be made, we, the said Principal and Surety, bind ourselves, our heirs, executors, administrators, successors and assigns, jointly and severally, firmly by these presents.

Whereas, under TITLE 83: PUBLIC UTILITIES, CHAPTER I: ILLINOIS COMMERCE COMMISSION, SUBCHAPTER c: ELECTRIC UTILITIES, PART 451 CERTIFICATION OF ALTERNATIVE RETAIL ELECTRIC SUPPLIERS, SECTION 451.510 FINANCIAL QUALIFICATIONS UNDER SUBPART F Principal has requested authorization from the ILLINOIS COMMERCE COMMISSION (Commission) to provide single billing services in the service area of Obligee; and

Whereas Principal, by means of this surety bond, has elected to demonstrate its credit worthiness to establish and maintain sufficient financial resources to satisfy the obligation to remit to Obligee monies that Principal collects under single billing tariffs adopted pursuant to Section 16-118(b) of the Act [220 ILCS 5/16-118(b)],

NOW, THEREFORE, the condition of this bond shall be that if Principal shall pay Obligee in full and in a timely manner all amounts due to Obligee in accordance with the terms specified in the single billing tariffs

then this obligation to be void; otherwise to remain in full force and effect.

This bond shall be in full force and effect for the one year period from January 10, 2007 to January 10, 2008. Thereafter, this bond may be renewed for additional (1) one-year period(s) by Surety. Renewal shall be evidenced by a continuation certificate issued by Surety.

Surety may terminate this bond at any time by giving written notice to Principal and Obligee at their places of business by Registered or Certified mail at least 30 days prior to the effective termination date set forth in said notice. Such notice shall not limit or terminate any obligations resulting from default by Principal that may have accrued under this bond as a result of default by Principal prior to the effective date of such termination. Neither the cancellation nor termination of this bond by Surety, nor inability of Principal to file a replacement bond or replacement security for its obligations, shall constitute a loss to the Obligee recoverable under this bond.

Regardless of the number of years this bond shall continue in force or the number of premiums payable or paid, the limit of Surety's liability stated in this bond shall not be cumulative from year to year nor period to period.

This Surety Bond shall be governed by and interpreted in accordance with the laws of the State of Illinois.

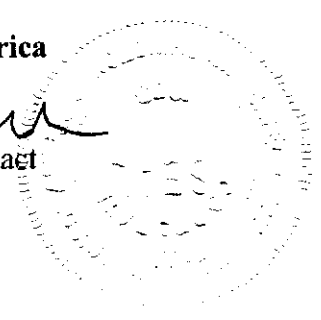
Signed and sealed with our seal, and dated this 10th day of January, 2007.

Pepco Energy Services, Inc.

By: Mark S Kumm

**Safeco Insurance Company of America**

By: Stephen W. Freeman  
Stephen W. Freeman, Attorney-in-Fact





**SAFECO**

**POWER  
OF ATTORNEY**

SAFECO INSURANCE COMPANY OF AMERICA  
GENERAL INSURANCE COMPANY OF AMERICA  
HOME OFFICE: SAFECO PLAZA  
SEATTLE, WASHINGTON 98185

No. 9127

**KNOW ALL BY THESE PRESENTS:**

That **SAFECO INSURANCE COMPANY OF AMERICA** and **GENERAL INSURANCE COMPANY OF AMERICA**, each a Washington corporation, does each hereby appoint

\*\*\*\*\*EUGENE P. DESSUREAU; STEPHEN W. FREEMAN; ROBIN V. RUSSELL; BEATRICE SAINT-FELIX; ROBERT E. WALSH; PHYLLIS J. WILLEY; PATRICIA S. WISE; MICHAEL A. YOUNGBLUT; Chevy Chase, Maryland\*\*\*\*\*

its true and lawful attorney(s)-in-fact, with full authority to execute on its behalf fidelity and surety bonds or undertakings and other documents of a similar character issued in the course of its business, and to bind the respective company thereby.

**IN WITNESS WHEREOF, SAFECO INSURANCE COMPANY OF AMERICA** and **GENERAL INSURANCE COMPANY OF AMERICA** have each executed and attested these presents

this 22nd day of April, 2004

*CB Mead*

**CHRISTINE MEAD, SECRETARY**

*Mike McGavick*

**MIKE MCGAVICK, PRESIDENT**

**CERTIFICATE**

Extract from the By-Laws of **SAFECO INSURANCE COMPANY OF AMERICA**  
and of **GENERAL INSURANCE COMPANY OF AMERICA**:

"Article V, Section 13. - **FIDELITY AND SURETY BONDS** ... the President, any Vice President, the Secretary, and any Assistant Vice President appointed for that purpose by the officer in charge of surety operations, shall each have authority to appoint individuals as attorneys-in-fact or under other appropriate titles with authority to execute on behalf of the company fidelity and surety bonds and other documents of similar character issued by the company in the course of its business... On any instrument making or evidencing such appointment, the signatures may be affixed by facsimile. On any instrument conferring such authority or on any bond or undertaking of the company, the seal, or a facsimile thereof, may be impressed or affixed or in any other manner reproduced; provided, however, that the seal shall not be necessary to the validity of any such instrument or undertaking."

Extract from a Resolution of the Board of Directors of **SAFECO INSURANCE COMPANY OF AMERICA**  
and of **GENERAL INSURANCE COMPANY OF AMERICA** adopted July 28, 1970.

"On any certificate executed by the Secretary or an assistant secretary of the Company setting out,

- (i) The provisions of Article V, Section 13 of the By-Laws, and
- (ii) A copy of the power-of-attorney appointment, executed pursuant thereto, and
- (iii) Certifying that said power-of-attorney appointment is in full force and effect,

the signature of the certifying officer may be by facsimile, and the seal of the Company may be a facsimile thereof."

I, Christine Mead, Secretary of **SAFECO INSURANCE COMPANY OF AMERICA** and of **GENERAL INSURANCE COMPANY OF AMERICA**, do hereby certify that the foregoing extracts of the By-Laws and of a Resolution of the Board of Directors of these corporations, and of a Power of Attorney issued pursuant thereto, are true and correct, and that both the By-Laws, the Resolution and the Power of Attorney are still in full force and effect.

**IN WITNESS WHEREOF**, I have hereunto set my hand and affixed the facsimile seal of said corporation

this 10th day of January

2007



*CB Mead*

**CHRISTINE MEAD, SECRETARY**